

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

DOCKET NO. 1997-057-E - ORDER NO. 2007-22

JANUARY 19, 2007

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| IN RE: | Request for Approval of Large General |) ORDER APPROVING |
| | Service (Experimental – Real Time Pricing) |) REVISION TO |
| | Schedule LGS-RTP. |) SCHEDULE |

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Progress Energy Carolinas, Inc (PEC or the Company) to revise the Large General Service (Experimental-Real Time Pricing) Schedule LGS-RTP (the Schedule). This Schedule was originally approved in Order No. 97-130. PEC is seeking approval to extend the Schedule's availability until 2010, address administrative issues regarding the Schedule's applicability to service riders, and increase the limit on the number of participants.

According to PEC, the primary objective of Schedule LGS-RTP is to encourage customers to reduce consumption when the cost of producing electricity is high and increase consumption when the cost of producing electricity is low. PEC notes that the customer's load response to these price signals results in greater utilization of existing generation resources and reduces the need for new generation resources. RTP hourly rates are calculated daily and provided to each participant by no later than 4 PM on the prior business day.

The availability of the Schedule presently expires on December 31, 2007. PEC desires to extend the availability of this experimental schedule until December 31, 2010. This change provides customers with increased assurance that this schedule will continue to be a viable rate option in the future and will therefore, according to PEC, better support changes in their operating decisions to influence their overall cost for electricity, based upon a variable hourly pricing rate design.

The Availability and the RTP Base Charge section of the Monthly Rate paragraphs are revised by PEC to clarify how the Company's service riders will be applied when the customer is served under Schedule LGS-RTP. These paragraphs provide that when a customer is served under this schedule, all aspects of the Curtailable Load Rider CL, Economic Development Rider ED, and Economic Redevelopment Rider ERD will only apply to load included in the Customer Baseline Load. The paragraphs are further revised to indicate that the schedule is available for use in conjunction with all standby rider options, not just Standby Service Rider SS. The change in the standby service rider options is also addressed in revisions to the paragraph titled, "Provision of Standby Service". These changes are requested by PEC to provide participants with the same rider options as offered to standard tariff customers for their Customer Baseline consumption.

The language in the "General" paragraph is revised to more clearly state that all sales under the schedule recover the average fuel rates established pursuant to S.C. Code Ann. Section 58-27-865 (Supp. 2006). According to PEC, this is not a change, but seeks

to clarify to participants that their hourly rates recover fuel rates established in the annual fuel adjustment proceeding.

The last change requested by PEC is to change the limit on the number of participants from 15 to a maximum of 20 customers in South Carolina. PEC presently serves only 4 South Carolina customers under this rate option, but has recently experienced renewed interest in this rate design. PEC believes that 20 participants would be manageable from an administrative perspective and would satisfy the needs of all customers that have shown an interest in hourly pricing.

According to PEC, this rate design is useful to large industrial customers as a means to influence their overall cost for electricity and also offers appropriate price signals that encourage participants to reduce usage during peak periods. PEC asserts that extending the experiment will continue to afford PEC an opportunity to evaluate hourly price development and other rate design considerations under a broader range of system operating conditions.

The Office of Regulatory Staff (ORS) has reviewed the filing and does not have any objection to the proposed revisions.

We have examined the proposed changes to the Schedule, and we approve them as filed. We agree that this rate design is useful to large industrial customers as a means to influence their overall cost for electricity and also offers appropriate price signals that encourage participants to reduce usage during peak periods. Further, we believe and agree with PEC that extending the experiment will continue to afford PEC an opportunity

to evaluate hourly price development and other rate design considerations under a broader range of system operating conditions.

Again, the changes to the Schedule are approved as filed. PEC shall furnish finalized copies of the changed Schedule to both the Commission and ORS within ten (10) days of its receipt of this Order.

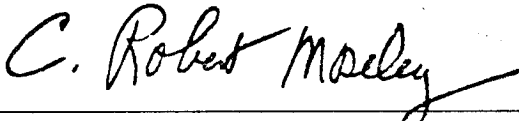
This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)